

SENATE, No. 3812

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 20, 2021

Sponsored by:

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

Senators Singleton and Turner

SYNOPSIS

Appropriates funds to DEP for environmental infrastructure projects for FY2022.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/24/2021)

1 AN ACT appropriating moneys to the Department of Environmental
2 Protection for the purpose of making zero interest loans or
3 principal forgiveness loans to project sponsors to finance a portion
4 of the costs of environmental infrastructure projects.

5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*

8
9 1. a. (1) There is appropriated to the department from the
10 “Clean Water State Revolving Fund,” established pursuant to section
11 1 of P.L.2009, c.77, an amount equal to the federal fiscal year 2021
12 capitalization grant made available to the State for clean water
13 project loans pursuant to the “Water Quality Act of 1987,” 33 U.S.C.
14 s.1251 et seq., and any amendatory and supplementary acts thereto
15 (hereinafter referred to as the “Federal Clean Water Act”).

16 (2) There is appropriated to the department from the “Interim
17 Environmental Financing Program Fund,” established by the New
18 Jersey Infrastructure Bank pursuant to subsection d. of section 9 of
19 P.L.1985, c.334 (C.58:11B-9), such amounts as may be necessary to
20 supplement the sums appropriated from the Clean Water State
21 Revolving Fund for the purposes of clean water project loans and
22 providing the State match as may be required for the award of the
23 capitalization grants made available to the State for clean water
24 projects pursuant to the Federal Clean Water Act.

25 (3) There is appropriated to the department from the “Disaster
26 Relief Emergency Financing Program Fund,” established by the New
27 Jersey Infrastructure Bank pursuant to section 1 of P.L.2013, c.93
28 (C.58:11B-9.5), such amounts as may be necessary to supplement the
29 sums appropriated from the Clean Water State Revolving Fund for
30 the purposes of clean water project loans and providing the State
31 match as may be required for the award of the capitalization grants
32 made available to the State for clean water projects pursuant to the
33 Federal Clean Water Act.

34 (4) There is appropriated to the department from the “Drinking
35 Water State Revolving Fund,” established pursuant to section 1 of
36 P.L.1998, c.84, an amount equal to the federal fiscal year 2021
37 capitalization grant made available to the State for drinking water
38 projects pursuant to the “Safe Drinking Water Act Amendments of
39 1996,” Pub.L.104-182, and any amendatory and supplementary acts
40 thereto (hereinafter referred to as the “Federal Safe Drinking Water
41 Act”).

42 The department is authorized to transfer from the Clean Water
43 State Revolving Fund to the Drinking Water State Revolving Fund,
44 pursuant to the “Water Infrastructure Funding Transfer Act,”
45 Pub.L.116-63, additional amounts as may be necessary to address a
46 threat to public health, and an amount equal to the maximum amount
47 authorized to be transferred is appropriated to the department for
48 those purposes.

1 The department is authorized to transfer from the Clean Water
2 State Revolving Fund to the Drinking Water State Revolving Fund
3 an amount up to the maximum amount authorized to be transferred
4 pursuant to the Federal Safe Drinking Water Act to meet present and
5 future needs for the financing of eligible drinking water projects, and
6 an amount equal to that maximum amount is appropriated to the
7 department for those purposes.

8 The department is authorized to transfer from the Drinking Water
9 State Revolving Fund to the Clean Water State Revolving Fund an
10 amount up to the maximum amount authorized to be transferred
11 pursuant to the Federal Clean Water Act to meet present and future
12 needs for the financing of eligible clean water projects, and an
13 amount equal to that maximum amount is appropriated to the
14 department for those purposes.

15 Notwithstanding any provision of this act to the contrary, the
16 department is authorized to utilize funds from the Clean Water State
17 Revolving Fund for the purposes of the Drinking Water State
18 Revolving Fund, and may charge interest on loans made with such
19 invested funds to the extent permitted by the Federal Clean Water
20 Act and the Federal Safe Drinking Water Act.

21 (5) There is appropriated to the department the unappropriated
22 balances from the Clean Water State Revolving Fund, including the
23 balances from the Federal Disaster Relief Appropriations Act, and
24 any repayments of loans and interest therefrom, as may be available
25 on or before June 30, 2022, for the purposes of clean water project
26 loans and providing the State match as may be required for the award
27 of the capitalization grants made available to the State for clean water
28 projects pursuant to the Federal Clean Water Act.

29 (6) There is appropriated to the department the unappropriated
30 balances from the “Wastewater Treatment Fund,” established
31 pursuant to section 15 of the “Wastewater Treatment Bond Act of
32 1985,” P.L.1985, c.329, and any repayments of loans and interest
33 therefrom, as may be available on or before June 30, 2022, for the
34 purposes of clean water project loans and providing the State match
35 as may be required for the award of the capitalization grants made
36 available to the State for clean water projects pursuant to the Federal
37 Clean Water Act.

38 (7) There is appropriated to the department the unappropriated
39 balances from the “1992 Wastewater Treatment Fund,” established
40 pursuant to section 27 of the “Green Acres, Clean Water, Farmland
41 and Historic Preservation Bond Act of 1992,” P.L.1992, c.88, and
42 any repayments of loans and interest therefrom, as may be available
43 on or before June 30, 2022, for the purposes of clean water project
44 loans and providing the State match as may be required for the award
45 of the capitalization grants made available to the State for clean water
46 projects pursuant to the Federal Clean Water Act.

47 (8) There is appropriated to the department the unappropriated
48 balances from the “2003 Water Resources and Wastewater Treatment

1 Fund,” established pursuant to subsection a. of section 19 of the
2 “Dam, Lake, Stream, Flood Control, Water Resources, and
3 Wastewater Treatment Project Bond Act of 2003,” P.L.2003, c.162,
4 and any repayments of loans and interest therefrom, as may be
5 available on or before June 30, 2022, for the purposes of clean water
6 project loans and providing the State match as may be required for
7 the award of the capitalization grants made available to the State for
8 clean water projects pursuant to the Federal Clean Water Act.

9 (9) There is appropriated to the department the unappropriated
10 balances from the “Pinelands Infrastructure Trust Fund,” established
11 pursuant to section 14 of the “Pinelands Infrastructure Trust Bond
12 Act of 1985,” P.L.1985, c.302, and any repayments of loans and
13 interest therefrom, as may be available on or before June 30, 2022,
14 for the purposes of clean water project loans and drinking water
15 project loans and providing the State match as may be required for
16 the award of the capitalization grants made available to the State for
17 clean water projects pursuant to the Federal Clean Water Act and for
18 drinking water projects pursuant to the Federal Safe Drinking Water
19 Act.

20 (10) There is appropriated to the department the unappropriated
21 balances from the “Stormwater Management and Combined Sewer
22 Overflow Abatement Fund,” established pursuant to the “Stormwater
23 Management and Combined Sewer Overflow Abatement Bond Act
24 of 1989,” P.L.1989, c.181, and any repayments of loans and interest
25 therefrom, as may be available on or before June 30, 2022, for the
26 purposes of clean water project loans and providing the State match
27 as may be required for the award of the capitalization grants made
28 available to the State for clean water projects pursuant to the Federal
29 Clean Water Act.

30 (11) There is appropriated to the department the unappropriated
31 balances from the Drinking Water State Revolving Fund and any
32 repayments of loans and interest therefrom, including the balances
33 from the Federal Disaster Relief Appropriations Act as may be
34 available on or before June 30, 2022, for the purposes of drinking
35 water project loans.

36 (12) There is appropriated to the department such sums as may
37 be needed from loan repayments and interest earnings from the
38 “Water Supply Fund,” established pursuant to section 14 of the
39 “Water Supply Bond Act of 1981,” P.L.1981, c.261, for the
40 “Drinking Water State Revolving Fund Match Accounts” contained
41 within that fund, for the purpose of providing the State match as may
42 be required for the award of the capitalization grants made available
43 to the State for drinking water projects pursuant to the Federal Safe
44 Drinking Water Act.

45 (13) There is appropriated to the department from the “Interim
46 Environmental Financing Program Fund,” established by the New
47 Jersey Infrastructure Bank pursuant to subsection d. of section 9 of
48 P.L.1985, c.334 (C.58:11B-9), such amounts as may be available on

1 or before June 30, 2022, and any repayments of loans and interest
2 therefrom, as may be necessary to supplement the sums appropriated
3 from the Drinking Water State Revolving Fund for the purposes of
4 drinking water project loans and providing the State match as may be
5 required for the award of the capitalization grants made available to
6 the State for drinking water projects pursuant to the Federal Safe
7 Drinking Water Act.

8 (14) There is appropriated to the department from the “Disaster
9 Relief Emergency Financing Program Fund,” established by the New
10 Jersey Infrastructure Bank pursuant to section 1 of P.L.2013, c.93
11 (C.58:11B-9.5), such amounts as may be necessary to supplement the
12 sums appropriated from the Drinking Water State Revolving Fund
13 for the purposes of drinking water project loans and providing the
14 State match as may be required for the award of the capitalization
15 grants made available to the State for drinking water projects
16 pursuant to the Federal Safe Drinking Water Act.

17 (15) There is appropriated to the department such amounts as
18 may be received by the Department of Community Affairs, as the
19 grantee from the United States Department of Housing and Urban
20 Development Community Development Block Grant - Disaster
21 Recovery Program (CDBG-DR), as may be available on or before
22 June 30, 2022, for the purposes of CDBG-DR eligible clean water
23 and drinking water project loans and providing the State match as
24 may be required for the award of the capitalization grants made
25 available to the State for clean water projects pursuant to the Federal
26 Clean Water Act and drinking water projects pursuant to the Federal
27 Safe Drinking Water Act.

28 (16) There is appropriated to the department such sums as may
29 be available on or before June 30, 2022, as repayments of drinking
30 water project loans and any interest therefrom from the “Water
31 Supply Fund,” established pursuant to section 14 of the “Water
32 Supply Bond Act of 1981,” P.L.1981, c.261, for the purposes of
33 drinking water project loans and providing the State match as may be
34 required for the award of the capitalization grants made available to
35 the State for drinking water projects pursuant to the Federal Safe
36 Drinking Water Act.

37 (17) Of the sums appropriated to the department from the “Water
38 Supply Fund” pursuant to P.L.1999, c.174, P.L.2001, c.222,
39 P.L.2002, c.70, and P.L.2003, c.158, the department is authorized to
40 transfer any unexpended balances and any repayments of loans and
41 interest therefrom as may be available on or before June 30, 2022, in
42 such amounts as needed to the Drinking Water State Revolving Fund
43 accounts contained within the Water Supply Fund established for the
44 purposes of providing drinking water project loans and providing the
45 State match as may be required for the award of the capitalization
46 grants made available to the State for drinking water projects
47 pursuant to the Federal Safe Drinking Water Act.

1 (18) Of the sums appropriated to the department from the “1992
2 Wastewater Treatment Fund” pursuant to P.L.1996, c.85, P.L.1997,
3 c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92, P.L.2001,
4 c.222, and P.L.2002, c.70, the department is authorized to transfer
5 any unexpended balances and any repayments of loans and interest
6 therefrom as may be available on or before June 30, 2022, in such
7 amounts as needed to the Clean Water State Revolving Fund accounts
8 contained within the 1992 Wastewater Treatment Fund for the
9 purposes of providing clean water project loans and providing the
10 State match as may be required for the award of the capitalization
11 grants made available to the State for clean water projects pursuant
12 to the Federal Clean Water Act.

13 (19) Of the sums appropriated to the department from the “2003
14 Water Resources and Wastewater Treatment Fund” pursuant to
15 P.L.2004, c.109 and P.L.2007, c.139, the department is authorized to
16 transfer any unexpended balances and any repayments of loans and
17 interest therefrom as may be available on or before June 30, 2022, in
18 such amounts as needed to the Clean Water State Revolving Fund
19 accounts contained within the 2003 Water Resources and Wastewater
20 Treatment Fund for the purposes of providing clean water project
21 loans and providing the State match as may be required for the award
22 of the capitalization grants made available to the State for clean water
23 projects pursuant to the Federal Clean Water Act.

24 (20) There is appropriated to the department the sums deposited
25 by the New Jersey Infrastructure Bank into the Clean Water State
26 Revolving Fund, the “Wastewater Treatment Fund,” the “1992
27 Wastewater Treatment Fund,” the “Water Supply Fund,” the
28 “Stormwater Management and Combined Sewer Overflow
29 Abatement Fund,” established pursuant to the “Stormwater
30 Management and Combined Sewer Overflow Abatement Bond Act
31 of 1989,” P.L.1989, c.181, the “2003 Water Resources and
32 Wastewater Treatment Fund,” and the Drinking Water State
33 Revolving Fund, as appropriate, pursuant to paragraph (6) of
34 subsection c. of section 1 of P.L. , c. (pending before the
35 Legislature as Senate Bill No. of the 2020-2021 session and
36 Assembly Bill No. 5589 of the 2020-2021 session), as may be
37 available on or before June 30, 2022, for the purposes of providing
38 clean water project loans and drinking water project loans and
39 providing the State match as may be required for the award of the
40 capitalization grants made available to the State for clean water
41 projects pursuant to the Federal Clean Water Act and for drinking
42 water projects pursuant to the Federal Safe Drinking Water Act.

43 Any such amounts shall be for the purpose of making zero interest
44 and principal forgiveness financing loans, to the extent sufficient
45 funds are available, to or on behalf of local government units or
46 public water utilities (hereinafter referred to as “project sponsors”)
47 to finance a portion of the cost of the construction of clean water
48 projects and drinking water projects listed in sections 2 and 3 of this

1 act, and for the purpose of implementing and administering the
2 provisions of this act, to the extent permitted by the Federal Disaster
3 Relief Appropriations Act, the Federal Clean Water Act, the Federal
4 Safe Drinking Water Act, P.L.2009, c.77, the “Wastewater Treatment
5 Bond Act of 1985.” P.L.1985, c.329, the “Water Supply Bond Act of
6 1981,” P.L.1981, c.261, the “Stormwater Management and
7 Combined Sewer Overflow Abatement Bond Act of 1989,” P.L.1989,
8 c.181, the “Green Acres, Clean Water, Farmland and Historic
9 Preservation Bond Act of 1992,” P.L.1992, c.88, the “Dam, Lake,
10 Stream, Flood Control, Water Resources, and the Wastewater
11 Treatment Project Bond Act of 2003,” P.L.2003, c.162, and any
12 amendatory and supplementary acts thereto.

13 (21) Of the \$60 million appropriated to the department for the
14 capital construction of drinking water infrastructure by the State
15 fiscal year 2021 appropriations act, P.L.2020 c.97, up to \$25 million
16 may be transferred to the New Jersey Infrastructure Bank to invest,
17 provide debt service reserve or guarantee, or pay interest on behalf
18 of a sponsor of a drinking water environmental infrastructure project.

19 b. The department is authorized to make zero interest and
20 principal forgiveness financing loans to or on behalf of the project
21 sponsors for the environmental infrastructure projects listed in
22 subsection a. of section 2 and subsection a. of section 3 of this act for
23 clean water projects, up to the individual amounts indicated and in
24 the priority stated, to the extent there are sufficient eligible project
25 applications, except that any such amounts may be reduced if a
26 project fails to meet the requirements of sections 4 or 5 of this act, or
27 by the Commissioner of Environmental Protection pursuant to
28 section 7 of this act.

29 (1) A maximum of \$35 million in principal forgiveness loans,
30 plus any appropriated but unallocated funds designated in State fiscal
31 year 2021 for combined sewer overflow projects, shall be issued as
32 provided in subsection a. of section 3 of this act to communities in
33 combined sewer overflow sewersheds for construction projects that
34 reduce or eliminate discharges from combined sewer overflow
35 outfalls. The amount of a principal forgiveness loan issued pursuant
36 to this paragraph shall not exceed \$4 million per borrower whenever
37 practicable. For project costs up to and including \$4 million, 50
38 percent of the principal of the loan shall be forgiven, and the
39 remaining 50 percent of the loan shall have a blended interest rate of
40 25 percent of the trust's market rate. For project costs greater than
41 \$4 million and up to and including \$10 million, the loan shall have a
42 blended interest rate of 50 percent of the trust's market rate. For
43 project costs greater than \$10 million, the loan shall have a blended
44 interest rate of 50 percent of the trust's market rate.

45 (2) A maximum of \$10 million in principal forgiveness loans,
46 plus any appropriated but unallocated funds designated in State fiscal
47 year 2021 for water quality restoration projects, shall be issued as
48 provided in subsection a. of section 3 of this act for water quality

1 restoration projects. The amount of a principal forgiveness loan
2 issued pursuant to this paragraph shall not exceed \$4 million per
3 borrower whenever practicable. For project costs up to and including
4 \$4 million, 50 percent of the principal of the loan shall be forgiven,
5 and the remaining 50 percent of the loan shall have a blended interest
6 rate of 50 percent of the trust's market rate. For project costs greater
7 than \$4 million and up to and including \$10 million, the loan shall
8 have a blended interest rate of 25 percent of the trust's market rate.
9 For project costs greater than \$10 million, the loan shall have a
10 blended interest rate of 50 percent of the trust's market rate.

11 (3) The projects listed in subsection a. of section 2 of this act and
12 subsection a. of section 3 of this act that were previously identified
13 in P.L.2020, c.49, as amended by P.L.2021, c.21, are granted
14 continued priority status and shall be subject to the provisions of
15 P.L.2020, c.49, as amended by P.L.2021, c.21, provided such
16 projects receive short-term funding prior to June 30, 2021.

17 c. The department is authorized to make zero interest and
18 principal forgiveness financing loans to or on behalf of the project
19 sponsors for the environmental infrastructure projects listed in
20 subsection b. of section 3 of this act for drinking water projects, up
21 to the individual amounts indicated and in the priority stated,
22 provided:

23 (1) a maximum of 30 percent of the 2021 Drinking Water State
24 Revolving Fund capitalization grant, not to exceed \$5 million, plus
25 any funds transferred to the Drinking Water State Revolving Fund
26 pursuant to paragraph (4) of subsection a. of this section may be
27 issued as provided in subsection b. of section 3 of this act for drinking
28 water systems, as follows:

29 (a) up to \$4 million of Drinking Water State Revolving Fund
30 loans, plus any appropriated but unallocated funds designated in
31 State fiscal year 2021 for drinking water systems serving populations
32 of up to 10,000 residents, shall be available for drinking water
33 systems serving populations of up to 10,000 residents wherein
34 principal forgiveness shall not exceed \$500,000 in the aggregate and
35 shall not exceed 50 percent of the total loan amount per project
36 sponsor in an amount not to exceed \$1 million per project sponsor.

37 Loans for drinking water systems serving 500 or fewer residents
38 shall be given the highest priority, followed by systems serving 501
39 to 10,000 residents;

40 (b) up to \$2 million in principal forgiveness loans for drinking
41 water systems that serve fewer than 500 persons and are assisted by
42 the Community Engineering Corps to come into compliance with
43 federal or State drinking water regulations. A loan issued pursuant
44 to this subparagraph shall have 100 percent principal forgiveness for
45 a loan amount of up to \$750,000 per project; and

46 (c) a maximum of \$10 million of principal forgiveness for
47 drinking water systems serving communities with a population of up
48 to 1,000 residents for corrosion control treatment and lead service

1 line replacement projects wherein principal forgiveness shall not
2 exceed 90 percent of the total fund loan amount of \$1 million per
3 water system;

4 (2) up to \$103 million of moneys from the Drinking Water State
5 Revolving Fund, plus any appropriated but unallocated funds
6 designated in State fiscal year 2021, may be issued for principal
7 forgiveness loans for drinking water systems serving communities
8 with a weighted median household income less than the median
9 household income for the State to finance lead service line
10 replacements, wherein principal forgiveness shall not exceed 50
11 percent of the total fund loan amount of: \$2 million per water system
12 for systems with fewer than 1,000 known lead service lines, \$10
13 million per water system for systems with 1,000 to 5,000 known lead
14 service lines, and \$20 million per water system for systems with
15 greater than 5,000 known lead service lines.

16 Loans may be made pursuant to this subsection to the extent there
17 are sufficient eligible project applications and as may be required for
18 the award of the capitalization grants made available to the State for
19 drinking water projects pursuant to the Federal Safe Drinking Water
20 Act. Any such amounts may be reduced by the Commissioner of
21 Environmental Protection pursuant to section 7 of this act, or if a
22 project fails to meet the requirements of section 4 or 5 of this act; and

23 (3) Those projects listed in subsections a. and b. of section 3 of
24 this act that were previously identified in P.L.2020, c.49, as amended
25 by P.L.2021, c.21, are granted continued priority status and shall be
26 subject to the provisions of P.L.2020, c.49, as amended by P.L.2021,
27 c.21, provided such projects receive short-term funding prior to June
28 30, 2021.

29 d. The department is authorized to make zero interest and
30 principal forgiveness financing loans to or on behalf of the project
31 sponsors for the environmental infrastructure projects listed in
32 sections 2 and 3 of this act under the same terms, conditions and
33 requirements set forth in this section from any unexpended balances
34 of the amounts appropriated pursuant to section 1 of P.L.1987, c.200,
35 section 2 of P.L.1988, c.133, section 1 of P.L.1989, c.189, section 1
36 of P.L.1990, c.99, section 1 of P.L.1991, c.325, section 1 of
37 P.L.1992, c.38, section 1 of P.L.1993, c.193, section 1 of P.L.1994,
38 c.106, section 1 of P.L.1995, c.219, section 1 of P.L.1996, c.85,
39 section 1 of P.L.1997, c.221, section 2 of P.L.1998, c.84, section 2
40 of P.L.1999, c.174, section 2 of P.L.2000, c.92, sections 1 and 2 of
41 P.L.2001, c.222, sections 1 and 2 of P.L.2002, c.70, sections 1 and 2
42 of P.L.2003, c.158, sections 1 and 2 of P.L.2004, c.109, sections 1
43 and 2 of P.L.2005, c.196, sections 1 and 2 of P.L.2006, c.68, sections
44 1 and 2 of P.L.2007, c.139, sections 1 and 2 of P.L.2008, c.68,
45 sections 1 and 2 of P.L.2009, c.102, sections 1 and 2 of P.L.2010,
46 c.63, sections 1 and 2 of P.L.2011, c.93, sections 1 and 2 of P.L.2012,
47 c.43, sections 1 and 2 of P.L.2013, c.95, sections 1 and 2 of P.L.2014,
48 c.25, sections 1 and 2 of P.L.2015, c.108, sections 1 and 2 of

1 P.L.2016, c.32, as amended by P.L.2017, c.14, sections 1 and 2 of
2 P.L.2017, c.143, as amended by P.L.2017, c.326, sections 1 and 2 of
3 P.L.2018, c.85, as amended by P.L.2018, c.137 and P.L.2019, c.12,
4 sections 1 and 2 of P.L.2019, c.193, as amended by P.L.2019, c.514,
5 and P.L.2020, c.49, as amended by P.L.2021, c.21, including
6 amounts resulting from the low bid and final building cost reductions
7 authorized pursuant to section 6 of P.L.1987, c.200, section 7 of
8 P.L.1988, c.133, section 6 of P.L.1989, c.189, section 6 of P.L.1990,
9 c.99, section 6 of P.L.1991, c.325, section 6 of P.L.1992, c.38,
10 section 6 of P.L.1993, c.193, section 6 of P.L.1994, c.106, section 6
11 of P.L.1995, c.219, section 6 of P.L.1996, c.85, section 6 of
12 P.L.1997, c.221, section 7 of P.L.1998, c.84, section 6 of P.L.1999,
13 c.174, section 6 of P.L.2000, c.92, section 6 of P.L.2001, c.222,
14 section 6 of P.L.2002, c.70, section 6 of P.L.2003, c.158, section 6
15 of P.L.2004, c.109, section 6 of P.L.2005, c.196, section 6 of
16 P.L.2006, c.68, section 6 of P.L.2007, c.139, section 6 of P.L.2008,
17 c.68, section 7 of P.L.2009, c.102, section 6 of P.L.2010, c.63,
18 section 6 of P.L.2011, c.93, section 6 of P.L.2012, c.43, section 6 of
19 P.L.2013, c.95, section 7 of P.L.2014, c.25, section 7 of P.L.2015,
20 c.108, section 7 of P.L.2016, c.32, as amended by P.L.2017, c.14,
21 section 7 of P.L.2017, c.143 as amended by P.L.2017, c.326, section
22 7 of P.L.2018, c.85, as amended by P.L.2018, c.137 and P.L.2019,
23 c.12, section 7 of P.L.2019, c.193, as amended by P.L.2019, c.514,
24 and section 7 of P.L.2020, c.49, as amended by P.L.2021, c.21, and
25 from any repayments of loans and interest from the Clean Water State
26 Revolving Fund, the "Wastewater Treatment Fund," the "Water
27 Supply Fund," the "1992 Wastewater Treatment Fund," the "2003
28 Water Resources and Wastewater Treatment Fund," and amounts
29 deposited therein during State fiscal year 2020 and State fiscal year
30 2021 pursuant to the provisions of section 16 of P.L.1985, c.329, and
31 section 2 of P.L.2009, c.77 and any amendatory and supplementary
32 acts thereto, including any Clean Water State Revolving Fund
33 Accounts contained within the "Wastewater Treatment Fund," and
34 from any repayment of loans and interest from the Drinking Water
35 State Revolving Fund.

36 e. The department is authorized to make zero interest and
37 principal forgiveness Sandy financing loans to or on behalf of the
38 project sponsors for the Sandy environmental infrastructure projects
39 listed in subsection a. of section 3 of this act for clean water projects,
40 in a manner consistent with the Federal Disaster Relief
41 Appropriations Act, up to the individual amounts indicated, except
42 that any such amount may be reduced by the Commissioner of
43 Environmental Protection pursuant to section 7 of this act, or if a
44 project fails to meet the requirements of section 4, 5, or 7 of this act,
45 provided a maximum of \$300 million shall be provided for Sandy
46 financing loans for clean water projects to provide financial
47 assistance to communities affected by the Storm Sandy, and for
48 projects whose purpose is to reduce flood damage risk and

1 vulnerability or to enhance resiliency to rapid hydrologic change or
2 a natural disaster.

3 f. For the purposes of this act:

4 "Department" means the Department of Environmental
5 Protection.

6 "Federal Disaster Relief Appropriations Act" means the "Disaster
7 Relief Appropriations Act, 2013," Pub.L.113-2, and any amendatory
8 and supplementary acts thereto.

9 "Sandy financing" means grants, zero interest loans or principal
10 forgiveness loans provided by the Department of Environmental
11 Protection from funds made available to the State for clean water
12 projects or clean water project match, pursuant to the Federal
13 Disaster Relief Appropriations Act.

14 "Trust" means the New Jersey Infrastructure Bank created
15 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4).

16

17 2. a. (1) The department is authorized to expend funds for the
18 purpose of making supplemental zero interest loans to or on behalf
19 of the project sponsors listed below for the following clean water
20 environmental infrastructure projects:
21

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Camden County MUA	S340640-18R	\$7,500,000	\$10,000,000
Elizabeth City	S340942-19R	\$206,250	\$275,000
Hoboken City	S340635-06R	\$30,000,000	\$40,000,000
North Bergen MUA	S340652-14R	\$3,750,000	\$5,000,000
Ocean Twp. SA	S340750-14R	\$750,000	\$1,000,000
Plumsted Twp.	S340607-03R	\$7,500,000	\$10,000,000
Rockaway Valley RSA	S340821-07R	\$2,250,000	\$3,000,000
Franklin Twp. SA	S340839-06-1	\$750,000	\$1,000,000
Paterson City	S340850-03-1	\$1,912,500	\$2,550,000
Rockaway Valley RSA	S340821-06-1	\$581,250	\$775,000
Somerville Borough	S342013-01-1	\$1,387,500	\$1,850,000
Total Projects: 11		\$56,587,500	\$75,450,000

22

23 (2) The loans authorized in this subsection shall be made for the
24 difference between the allowable loan amounts required by these
25 projects based upon final building costs pursuant to section 7 of this

1 act and the loan amounts certified by the Commissioner of
2 Environmental Protection in State fiscal years 2008, 2017, 2019,
3 2020, and 2021 and for increased allowable costs as defined and
4 determined in accordance with the rules and regulations adopted by
5 the department pursuant to section 4 of P.L.1985, c.329. The loans
6 authorized in this subsection shall be made to or on behalf of the
7 project sponsors listed, up to the individual amounts indicated and in
8 the priority stated, to the extent sufficient funds are available, except
9 as a project fails to meet the requirements of section 4, 5, or 7 of this
10 act.

11 (3) The zero interest loans for the projects authorized in this
12 subsection shall have priority over projects listed in subsection a. of
13 section 3 of this act.

14 b. (1) The department is authorized to expend funds for the
15 purpose of making supplemental loans to or on behalf of the project
16 sponsors listed below for the following drinking water environmental
17 infrastructure projects:
18

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Newark City	0714001-016R	\$2,250,000	\$3,000,000
North Jersey District Water Supply Comm.	1613001-025R	\$19,125,000	\$25,500,000
Total Projects: 2		\$21,375,000	\$28,500,000

19
20 (2) The loans authorized in this subsection shall be made for the
21 difference between the allowable loan amount required by these
22 projects based upon final building costs pursuant to section 7 of this
23 act and the loan amounts certified by the Commissioner of
24 Environmental Protection in State fiscal year 2020 and for increased
25 allowable costs as defined and determined in accordance with the
26 rules and regulations adopted by the department pursuant to section
27 5 of P.L.1981, c.261. The loans authorized in this subsection shall
28 be made to or on behalf of the project sponsors listed, up to the
29 individual amounts indicated and in the priority stated, to the extent
30 sufficient funds are available, except as a project fails to meet the
31 requirements of section 4, 5, or 7 of this act.

32 (3) The zero interest loans for the projects authorized in this
33 subsection shall have priority over projects listed in subsection b. of
34 section 3 of this act.

35 c. The department is authorized to adjust the allowable
36 department loan amount for projects authorized in this section to
37 between zero percent and 100 percent of the total allowable loan
38 amount. If the department loan amount is adjusted to 100 percent of
39 the total allowable loan amount, the loan shall be provided pursuant

1 to the terms and conditions of the financing program year in which
2 the construction loan component of the project was certified by the
3 department and for which the trust issued an interim financing
4 program loan or, in the absence of an interim financing program loan,
5 the terms and conditions of the State fiscal year 2022 financing
6 program.

7
8 3. a. (1) The following environmental infrastructure projects
9 shall be known and may be cited as the “Storm Sandy and State Fiscal
10 Year 2022 Clean Water Project Eligibility List”:
11

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Musconetcong SA	S340384-09	\$4,500,000	\$6,000,000
Camden County MUA	S340640-17	\$2,625,000	\$3,500,000
Camden County MUA	S340640-24	\$4,875,000	\$6,500,000
Rahway Valley SA	S340547-14	\$7,125,000	\$9,500,000
Rahway Valley SA	S340547-15	\$1,941,389	\$2,588,518
Camden County MUA	S340640-22	\$2,625,000	\$3,500,000
Camden County MUA	S340640-23	\$4,200,000	\$5,600,000
Camden County MUA	S340640-16	\$9,975,000	\$13,300,000
Newark City	S340815-24	\$15,750,000	\$21,000,000
Camden County MUA	S340640-18	\$63,022,500	\$84,030,000
North Bergen MUA	S340652-14	\$21,000,000	\$28,000,000
Hopatcong Borough	S340488-08	\$450,000	\$600,000
Jersey City MUA	S340928-15	\$30,750,000	\$41,000,000

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Jersey City MUA	S340928-20	\$5,400,000	\$7,200,000
Jersey City MUA	S340928-28	\$2,025,000	\$2,700,000
Jersey City MUA	S340928-31	\$8,294,700	\$11,059,600
Jersey City MUA	S340928-34	\$975,000	\$1,300,000
Jersey City MUA	S340928-24	\$80,693,069	\$108,000,000
Jersey City MUA	S340928-33	\$6,750,000	\$9,000,000
Elizabeth City	S340942-17	\$4,875,000	\$6,500,000
Camden County MUA	S340640-13	\$9,600,000	\$12,800,000
Bayonne City	S340399-31	\$1,650,000	\$2,200,000
Ocean County UA	S340372-62	\$3,225,000	\$4,300,000
Ocean County UA	S340372-63	\$1,650,000	\$2,200,000
Ocean County UA	S340372-61	\$3,975,000	\$5,300,000
Ocean County UA	S340372-59	\$5,715,000	\$7,620,000
Hoboken City	S340635-07	\$3,750,000	\$5,000,000
Hoboken City	S340635-09	\$375,000	\$500,000
Mount Laurel Twp. MUA	S340943-06	\$6,000,000	\$8,000,000
Jersey City	S340928-30	\$2,033,250	\$2,711,000
North Hudson SA	S340952-30	\$17,400,000	\$23,200,000
Riverside SA	S340490-01	\$630,000	\$840,000
Perth Amboy City	S340435-11	\$4,844,513	\$6,459,351
Hackensack City	S340923-14	\$6,000,000	\$8,000,000
Somerset Raritan Valley SA	S340801-09	\$4,875,000	\$6,500,000

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Somerset Raritan Valley SA	S340801-07	\$25,500,000	\$34,000,000
Passaic Valley SC	S340689-48	\$675,308	\$900,410
Passaic Valley SC	S340689-37	\$91,125,000	\$121,500,000
Passaic Valley SC	S340689-38	\$16,125,000	\$21,500,000
Passaic Valley SC	S345200-02	\$1,500,000	\$2,000,000
Passaic Valley SC	S340689-40	\$3,750,000	\$5,000,000
Passaic Valley SC	S345200-01	\$7,125,000	\$9,500,000
Passaic Valley SC	S340689-30	\$2,775,000	\$3,700,000
Passaic Valley SC	S340689-32	\$7,500,000	\$10,000,000
Northwest Bergen County UA	S340700-16	\$3,675,000	\$4,900,000
Bergen County UA	S340386-21	\$5,700,000	\$7,600,000
Linden Roselle SA	S340299-09	\$1,575,000	\$2,100,000
Linden Roselle SA	S340299-08	\$12,750,000	\$17,000,000
Lambertville MUA	S340882-09	\$1,350,000	\$1,800,000
Raritan Twp. MUA	S340485-12	\$3,675,000	\$4,900,000
Gloucester County UA	S340902-15	\$8,625,000	\$11,500,000
Stafford Twp.	S344100-03	\$4,200,000	\$5,600,000
Allentown Borough	S340567-05	\$3,825,000	\$5,100,000
Stony Brook RSA	S340400-11	\$16,500,000	\$22,000,000
Evesham MUA	S340838-09	\$375,000	\$500,000
Howell Twp.	S344040-02	\$11,010,000	\$14,680,000
Rutgers, The State University of New Jersey	S340500-01	\$27,750,000	\$37,000,000

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Willingboro MUA	S340132-09	\$6,750,000	\$9,000,000
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
Rockaway Valley RSA	S340821-07	\$6,150,000	\$8,200,000
Rockaway Valley RSA	S340821-08	\$11,625,000	\$15,500,000
Ocean County	S344080-09	\$975,000	\$1,300,000
Western Monmouth UA	S340128-06	\$9,825,000	\$13,100,000
Chatham Borough	S340715-07A	\$5,466,885	\$7,289,180
Madison Borough	S340715-07B	\$5,466,885	\$7,289,180
Wildwood City	S340664-06	\$11,784,758	\$15,713,010
Point Pleasant Beach Borough	S344190-02	\$2,362,500	\$3,150,000
Manasquan River RSA	S340911-03	\$495,000	\$660,000
Little Egg Harbor MUA	S340579-03	\$1,779,298	\$2,900,000
Middlesex County UA	S340699-14	\$8,250,000	\$11,000,000
Monmouth County Bayshore Outfall Authority	S340325-04	\$2,625,000	\$3,500,000
Atlantic County UA	S340809-29	\$3,000,000	\$4,000,000
Atlantic County UA	S340809-30	\$7,575,000	\$10,100,000
Toms River MUA	S340145-05	\$3,100,000	\$4,500,000
Toms River MUA	S340145-08	\$1,018,800	\$1,358,400
Ocean County UA	S340372-60	\$652,500	\$870,000
Two Rivers Water Reclamation Authority	S340117-09	\$3,000,000	\$4,000,000
Brick Twp. MUA	S340448-11	\$4,275,000	\$5,700,000

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Northwest Bergen County UA	S340700-15	\$5,250,000	\$7,000,000
Northwest Bergen County UA	S340700-18	\$1,500,000	\$2,000,000
Northwest Bergen County UA	S340700-19	\$6,099,338	\$8,132,450
Western Monmouth UA	S340128-05	\$5,887,500	\$7,850,000
Old Bridge MUA	S340945-14	\$2,700,000	\$3,600,000
Franklin Twp. SA	S340839-09	\$5,625,000	\$7,500,000
Evesham MUA	S340838-07	\$1,200,000	\$1,600,000
Mount Laurel Twp. MUA	S340943-07	\$2,400,000	\$3,200,000
Winslow Twp.	S340895-10	\$1,275,000	\$1,700,000
Ocean Twp. SA	S340750-13	\$412,500	\$550,000
Ocean Twp. SA	S340750-12	\$3,375,000	\$4,500,000
Scotch Plains Twp.	S340512-01	\$2,025,000	\$2,700,000
Burlington Twp.	S340712-17	\$750,000	\$1,000,000
West Deptford Twp.	S340947-05	\$1,061,250	\$1,415,000
Princeton	S340656-11	\$2,944,259	\$3,925,678
Warren Twp. SA	S340964-05	\$8,100,000	\$10,800,000
Middlesex Borough	S340698-02	\$1,926,563	\$2,568,750
Pennsville SA	S340870-04	\$1,200,000	\$1,600,000
Red Bank Borough	S340528-01	\$1,125,000	\$1,500,000
Glen Ridge Borough	S340861-04	\$1,725,000	\$2,300,000
Glen Ridge Borough	S340861-03	\$334,387	\$445,849
Buena Borough MUA	S340518-06	\$973,500	\$1,298,000
Bradley Beach Borough	S340472-01	\$2,025,000	\$2,700,000
Lambertville MUA	S340882-10	\$525,000	\$700,000

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Long Beach Twp.	S340023-07	\$3,450,000	\$4,600,000
Ship Bottom Borough	S340311-05	\$3,750,000	\$5,000,000
Passaic Valley SC	S340689-45	\$7,657,577	\$10,210,102
Passaic Valley SC	S340689-54	\$11,642,883	\$15,523,844
Plumsted Twp.	S340607-03	\$12,769,687	\$34,000,000
Lakewood Twp. MUA	S340465-02	\$3,240,000	\$4,320,000
Lower Twp. MUA	S340810-05	\$12,825,000	\$17,100,000
Mantua Twp. MUA	S340514-02	\$1,687,500	\$2,250,000
Newton Town	S340449-04	\$403,500	\$538,000
Cranford Twp.	S340858-04	\$9,000,000	\$12,000,000
New Jersey Water Supply Authority	S340421-01	\$45,000,000	\$60,000,000
Northfield City	S340508-02	\$112,500	\$150,000
Spotswood Borough	S340510-01	\$4,070,250	\$5,427,000
Paulsboro Borough	S340164-01	\$2,062,500	\$2,750,000
North Hudson SA	S340952-36	\$675,000	\$900,000
Clinton Town	S340924-07	\$600,000	\$800,000
Jersey City MUA	S340928-32	\$6,150,000	\$12,300,000
Atlantic City MUA	S340439-04	\$2,300,000	\$3,066,667
East Orange City	S340843-03	\$9,000,000	\$12,000,000
Gloucester County Improvement Authority	S342016-04	\$13,875,001	\$18,500,001
Salem County Improvement Authority	S342022-02	\$7,399,084	\$8,500,000
Burlington City	S340140-02	\$1,950,000	\$2,600,000
Lakewood Twp. MUA	S340465-03	\$1,312,500	\$1,750,000
Bloomfield Twp.	S340516-01	\$5,423,228	\$7,230,970

North Brunswick Twp.	S340888-02	\$6,000,000	\$8,000,000
University Hospital	S340500-03	\$5,850,000	\$7,800,000
Manchester Twp.	S340650-08	\$2,250,000	\$3,000,000
Point Pleasant Beach Borough	S340479-04	\$1,447,500	\$1,930,000
Allentown Borough	S340567-06	\$498,704	\$664,938
Ship Bottom Borough	S340311-04	\$536,663	\$2,750,000
Total Projects: 133		\$946,664,729	\$1,285,265,898

(2) The department is authorized to make clean water project loans to the following municipalities receiving funding from the “Pinelands Infrastructure Trust Fund,” established pursuant to section 14 of the “Pinelands Infrastructure Trust Bond Act of 1985,” P.L.1985, c.302:

Project Sponsor	Project Number	Estimated Total Loan Amount
Pemberton Twp.	Pinelands 1	\$2,929,000
Manchester Twp./ Jackson MUA	Pinelands 2	\$7,192,035
Galloway Twp.	Pinelands 4	\$3,493,440
Winslow Twp.	Pinelands 5	\$1,728,940
Total Pinelands Projects: 4		\$15,343,415

b. The following environmental infrastructure projects shall be known and may be cited as the “State Fiscal Year 2022 Drinking Water Project Eligibility List”:

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Newark City	0714001-020	\$13,125,000	\$17,500,000
Trenton City	1111001-011	\$15,255,000	\$20,340,000
Newark City	0714001-019	\$9,375,000	\$12,500,000
Orange City	0717001-013	\$525,000	\$700,000
Newark City	0714001-022	\$17,250,000	\$23,000,000
Bloomfield Twp.	0702001-003	\$823,796	\$1,098,395

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NJ American Water Co., Inc.	1345001-017	\$7,575,000	\$10,100,000
Burlington City	0305001-002	\$2,700,000	\$3,600,000
Orange City	0717001-014	\$1,500,000	\$2,000,000
National Park Borough	0812001-005	\$1,144,875	\$1,526,500
Moorestown Twp.	0322001-001	\$18,468,750	\$24,625,000
Brick Twp. MUA	1506001-011	\$15,667,500	\$20,890,000
East Orange City	0705001-014	\$24,750,000	\$33,000,000
Newark City	0714001-008	\$25,647,000	\$34,196,000
East Greenwich	0803001-004	\$1,950,000	\$2,600,000
Jersey City MUA	0906001-017	\$1,305,180	\$1,740,240
NJ American Water Co., Inc.	2004002-012	\$15,000,000	\$20,000,000
Woodbine Borough	0516001-001	\$3,750,000	\$5,000,000
Newark City	0714001-018	\$3,862,500	\$5,150,000
Jersey City MUA	0906001-019	\$5,025,000	\$6,700,000
Wildwood City	0514001-006	\$4,637,403	\$6,183,204
Little Egg Harbor MUA	1516001-005	\$1,087,500	\$1,450,000
Seaside Park Borough	1527001-004	\$1,125,000	\$1,500,000
NJ American Water Co., Inc.	1345001-021	\$19,758,750	\$26,345,000
Manchester Twp.	1518005-002	\$4,125,000	\$5,500,000
Paulsboro Borough	0814001-003	\$2,100,000	\$2,800,000
Hamburg Borough	1909001-002	\$825,000	\$1,100,000
Jersey City MUA	0906001-025	\$24,000,000	\$32,000,000
Jersey City MUA	0906001-009	\$3,750,000	\$5,000,000
Middlesex Water Co.	1225001-028	\$8,400,000	\$11,200,000
Old Bridge MUA	1209002-005	\$1,875,000	\$2,500,000
Hoboken City	0905001-002	\$6,000,000	\$8,000,000
Wall Twp.	1352003-001	\$1,350,000	\$1,800,000

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Wall Twp.	1352003-002	\$2,775,000	\$3,700,000
Clinton Town	1005001-011	\$ 949,355	\$1,265,807
Clinton Town	1005001-010	\$1,320,000	\$2,640,000
Spotswood Borough	1224001-001	\$2,582,936	\$3,443,914
Glen Ridge Borough	0708001-008	\$1,929,908	\$2,573,210
Jersey City MUA	0906001-020	\$4,965,000	\$6,620,000
Jersey City MUA	0906001-021	\$8,250,000	\$11,000,000
Jackson Twp. MUA	1511001-013	\$15,000,000	\$20,000,000
Ship Bottom Borough	1528001-003	\$7,500,000	\$10,000,000
South Orange Village	0719001-012	\$ 600,000	\$800,000
Berkeley Twp. MUA	1505004-009	\$1,875,000	\$2,500,000
Jersey City MUA	0906001-015	\$2,691,950	\$3,589,266
Hoboken City	0905001-001	\$6,375,000	\$8,500,000
Hightstown Borough	1104001-010	\$1,331,759	\$1,775,678
Middlesex Water Co.	1225001-025	\$42,750,000	\$57,000,000
Evesham MUA	0313001-001	\$1,950,000	\$2,600,000
Moorestown Twp.	0322001-002	\$11,430,000	\$15,240,000
Brick Twp. MUA	1506001-009	\$4,446,570	\$5,928,760
Ship Bottom Borough	1528001-004	\$3,075,000	\$4,100,000
Lakehurst Borough	1513001-002	\$ 900,000	\$1,200,000
East Windsor MUA	1101002-005	\$1,500,000	\$2,000,000
Clinton Town	1005001-012	\$2,625,000	\$3,500,000
Long Beach Twp.	1517001-015	\$3,119,401	\$4,159,201
Milltown Borough	1212001-005	\$1,350,000	\$1,800,000
Allentown Borough	1302001-002	\$411,825	\$549,100
Roosevelt Borough	1341001-007	\$450,000	\$600,000

NJ American Water Co., Inc.	2004002-013	\$12,000,000	\$16,000,000
Jackson Twp. MUA	1511001-012	\$8,250,000	\$11,000,000
Clinton Town	1005001-013	\$2,250,000	\$3,000,000
Brielle Borough	1308001-004	\$1,845,000	\$2,460,000
Mount Arlington Borough	1426005-001	\$165,836	\$250,285
Brielle Borough	1308001-005	\$2,700,000	\$3,600,000
Hampton Borough	1013001-001	\$1,350,000	\$1,800,000
Little Egg Harbor MUA	1516001-003	\$4,143,750	\$5,525,000
National Park Borough	0812001-004	\$1,275,000	\$1,700,000
Hopatcong Borough	1912001-004	\$75,000	\$100,000
Hamburg Borough	1909001-001	\$63,750	\$85,000
Highbridge Borough	1014001-001	\$75,000	\$100,000
Hardyston Municipal Utility Authority	1911006-003	\$75,000	\$100,000
Total Projects: 72		\$430,155,294	\$574,449,560

1
2 c. The department is authorized to adjust the allowable
3 department loan amount for projects authorized in this section to
4 between zero percent and 100 percent of the total allowable loan
5 amount. If the department loan amount is adjusted to 100 percent of
6 the total allowable loan amount, the loan shall be provided pursuant
7 to the terms and conditions of the financing program year in which
8 the construction loan component of the project was certified by the
9 department and for which the trust issued an interim financing
10 program loan or, in the absence of an interim financing program loan,
11 the terms and conditions of the State fiscal year 2022 financing
12 program.

13
14 4. Any financing loan made by the department pursuant to this
15 act shall be subject to the following requirements:

16 a. The Commissioner Environmental Protection has certified
17 that the project is in compliance with the provisions of P.L.1977,
18 c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997,

1 c.225, or P.L.2003, c.162, and any rules and regulations adopted
2 pursuant thereto;

3 b. Except as otherwise provided in this subsection, a loan for an
4 environmental infrastructure project listed in section 2 or 3 of this act
5 shall be subject to the terms and conditions of the financing program
6 year in which the construction loan component of the project was
7 certified by the department and for which the trust issued an interim
8 financing program loan or, in the absence of an interim financing
9 program loan, the terms and conditions of the State fiscal year 2022
10 financing program. Notwithstanding any provision of this act or a
11 financial plan of the trust for State fiscal years 2018 through 2021
12 developed pursuant to section 21 of P.L.1985, c.334 (C.58:11B-21)
13 or section 25 of P.L.1997, c.224 (C.58:11B-21.1) to the contrary, a
14 loan for an environmental infrastructure project listed in section 2 or
15 3 of this act that is partially funded from the proceeds of bonds issued
16 by the trust to the United States Environmental Protection Agency
17 pursuant to the federal "Water Infrastructure Finance and Innovation
18 Act of 2014," 33 U.S.C. s.3901 et seq., shall be subject to terms and
19 conditions regulating the blending of federal and other funds that are
20 consistent with those provisions of the financial plan of the trust for
21 State fiscal year 2022 that reference the federal "Water Infrastructure
22 Finance and Innovation Act of 2014;"

23 c. Notwithstanding the provisions of sections 2 and 3 of this act,
24 the department allowable loan amount may be 100 percent of the total
25 allowable loan amount for:

26 (1) clean water project and drinking water project loans to (a)
27 municipalities that do not satisfy the New Jersey Infrastructure Bank
28 credit policy but are subject to State financial supervision and
29 oversight pursuant to the "Local Government Supervision Act
30 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal,
31 county, or regional sewerage authorities, or utilities authorities, that
32 do not satisfy the New Jersey Infrastructure Bank credit policy but
33 where the municipal participant through its service agreement with
34 the authority or utility is under State financial supervision and
35 oversight pursuant to the "Local Government Supervision Act
36 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment
37 obligation of the authority or utility is secured by the full faith and
38 credit of the participating municipality pursuant to the service
39 agreement; and

40 (2) clean water and drinking water loans to municipalities
41 receiving funding under the United States Department of Housing and
42 Urban Development Community Development Block Grant –
43 Disaster Recovery Program (CDBG-DR);

44 d. With the exception of a loan for which the department issues
45 100 percent of the loan amount pursuant to subsection b. of section
46 2, subsection c. of section 3, and subsection c. of this section, the
47 loan shall be conditioned upon approval of a loan from the New
48 Jersey Infrastructure Bank pursuant to P.L. , c. (pending before

1 the Legislature as Senate Bill No. of the 2020-2021 session and
2 Assembly Bill No. 5589 of the 2020-2021 session), prior to June 30,
3 2021;

4 e. The loan shall be repaid within a period not to exceed 30
5 years, or 45 years for combined sewer overflow abatement projects,
6 of the making of the loan; and

7 f. The loan shall be subject to any other terms and conditions as
8 may be established by the commissioner and approved by the State
9 Treasurer, which may include, notwithstanding any other provision
10 of law to the contrary, subordination of a loan authorized in this act
11 to loans made by the New Jersey Infrastructure Bank pursuant to
12 P.L. , c. (pending before the Legislature as Senate Bill No. of
13 the 2020-2021 session and Assembly Bill No. 5589 of the 2020-2021
14 session), or to administrative fees payable to the trust pursuant to
15 subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).
16

17 5. Any Sandy financing loan made by the department pursuant
18 to this act shall be subject to the following requirements:

19 a. The commissioner has certified that the project is in
20 compliance with the provisions of Title X, Chapter 7 of the Federal
21 Disaster Relief Appropriations Act;

22 b. The commissioner has certified that the project is in
23 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329,
24 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162,
25 and any rules and regulations adopted pursuant thereto; and

26 c. The loan shall be subject to any other terms and conditions as
27 may be established by the commissioner and approved by the State
28 Treasurer, which may include, notwithstanding any other provision
29 of law to the contrary, subordination of a loan authorized in this act
30 to loans made by the trust pursuant to P.L. , c. (pending before
31 the Legislature as Senate Bill No. of the 2020-2021 session and
32 Assembly Bill No. 5589 of the 2020-2021 session) prior to June 30,
33 2021, or to administrative fees payable to the trust pursuant to
34 subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).
35

36 6. The eligibility lists and authorization for the making of loans
37 pursuant to sections 2 and 3 of this act shall expire on July 1, 2022,
38 and any project sponsor which has not executed and delivered a loan
39 agreement with the department for a loan authorized in this act shall
40 no longer be entitled to that loan.
41

42 7. The Commissioner of Environmental Protection is authorized
43 to reduce or increase the individual amount of loan funds made
44 available to or on behalf of project sponsors pursuant to sections 2
45 and 3 of this act based upon final or low bid building costs defined
46 in and determined in accordance with rules and regulations adopted
47 by the commissioner pursuant to section 4 of P.L.1985, c.329, section
48 2 of P.L.1999, c.362 (C.58:12A-12.2), or section 5 of P.L.1981,

1 c.261, provided that the total loan amount does not exceed the
2 estimated total allowable loan amount. The commissioner is
3 authorized to reduce or increase the individual amount of loan funds
4 made available to or on behalf of project sponsors pursuant to
5 sections 2 and 3 of this act in an amount not to exceed 10 percent of
6 the total allowable loan amount based upon additional project costs
7 to comply with the department's guidance for asset management,
8 emergency response, flood protection, and auxiliary power.

9
10 8. The expenditure of the funds appropriated by this act is
11 subject to the provisions and conditions of P.L.1977, c.224,
12 P.L.1085, c.302, P.L.1985, c.329, P.L.1989, c.181, P.L.1992, c.88,
13 P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and the rules
14 and regulations adopted by the Commissioner of Environmental
15 Protection pursuant thereto, and the provisions of the Federal
16 Disaster Relief Appropriations Act, the Federal Clean Water Act, and
17 the Federal Safe Drinking Water Act, and any amendatory and
18 supplementary acts thereto.

19
20 9. The department shall provide general technical assistance to
21 any project sponsor requesting assistance regarding environmental
22 infrastructure project development or applications for funds for a
23 project.

24
25 10. a. Prior to repayment to the Clean Water State Revolving
26 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any
27 amendatory and supplementary acts thereto, prior to repayment to the
28 "Wastewater Treatment Fund" pursuant to the provisions of section
29 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater
30 Treatment Fund" pursuant to the provisions of section 28 of
31 P.L.1992, c.88, prior to repayment to the Drinking Water State
32 Revolving Fund, prior to repayment to the "Stormwater Management
33 and Combined Sewer Overflow Abatement Fund" pursuant to the
34 provisions of section 15 of P.L.1989, c.181, prior to repayment to the
35 "2003 Water Resources and Wastewater Treatment Fund" pursuant
36 to the provisions of section 20 of P.L.2003, c.162, prior to repayment
37 to the "Water Supply Fund" pursuant to the provisions of section 15
38 of P.L.1981, c.261, or prior to the repayment to the "Pinelands
39 Infrastructure Trust Fund" pursuant to the provisions of section 5 of
40 P.L.1985, c.302, repayments of loans made pursuant to these acts
41 may be utilized by the New Jersey Infrastructure Bank established
42 pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and
43 supplemented by P.L.1997, c.224, under terms and conditions
44 established by the commissioner and trust, approved by the State
45 Treasurer, and consistent with the provisions of P.L.1985, c.334
46 (C.58:11B-1 et seq.) and federal tax, environmental or securities law,
47 to the extent necessary to secure repayment of trust bonds issued to
48 finance loans approved pursuant to P.L. , c. (pending before the

1 Legislature as Senate Bill No. of the 2020-2021 session and
2 Assembly Bill No. 5589 of the 2020-2021 session), and to secure the
3 administrative fees payable to the trust pursuant to subsection o. of
4 section 5 of P.L.1985, c.334 (C.58:11B-5) by the project sponsors
5 receiving trust loans.

6 b. Prior to repayment to the Clean Water State Revolving Fund
7 pursuant to section 1 and 2 of P.L.2009, c.77 and any amendatory
8 and supplementary acts thereto, prior to repayment to the
9 “Wastewater Treatment Fund” pursuant to the provisions of section
10 16 of P.L.1985, c.329, prior to repayment to the “1992 Wastewater
11 Treatment Fund” pursuant to the provisions of section 28 of
12 P.L.1992, c.88, prior to repayment to the “Water Supply Fund”
13 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to
14 repayment to the Drinking Water State Revolving Fund, prior to
15 repayment to the “2003 Water Resources and Wastewater Treatment
16 Fund” pursuant to the provisions of section 20 of P.L.2003, c.162,
17 prior to repayment to the “Stormwater Management and Combined
18 Sewer Overflow Abatement Fund” pursuant to the provisions of
19 section 15 of P.L.1989, c.181, or prior to repayment to the “Pinelands
20 Infrastructure Trust Fund” pursuant to the provisions of section 5 of
21 P.L.1985, c.302, the trust is further authorized to utilize repayments
22 of loans made pursuant to P.L.1989, c.189, P.L.1990, c.99, P.L.1991,
23 c.325, P.L.1992, c.38, P.L.1993, c.193, P.L.1994, c.106, P.L.1995,
24 c.219, P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84, P.L.1999,
25 c.174, P.L.2000, c.92, P.L.2001, c.222, P.L.2002, c.70, P.L.2003,
26 c.158, P.L.2004, c.109, P.L.2005, c.196, P.L.2006, c.68, P.L.2007,
27 c.139, P.L.2008, c.68, P.L.2009, c.102, P.L.2010, c.63, P.L.2011,
28 c.93, P.L.2012, c.43, P.L.2013, c.95, P.L.2014, c.25, P.L.2015,
29 c.108, P.L.2016, c.32, P.L.2017, c.143, as amended by P.L.2017,
30 c.326, P.L.2018, c.85, as amended by P.L.2018, c.137, P.L.2019,
31 c.12, P.L.2019, c.193, as amended by P.L.2019, c.514, P.L.2020,
32 c.49, as amended by P.L.2021, c.21, or P.L. , c. (pending before
33 the Legislature as this bill) to secure repayment of trust bonds issued
34 to finance loans approved pursuant to P.L.1995, c.218, P.L.1996,
35 c.87, P.L.1997, c.222, P.L.1998, c.85, P.L.1999, c.173, P.L.2000,
36 c.93, P.L.2001, c.224, P.L.2002, c.71, P.L.2003, c.159, P.L.2004,
37 c.110, P.L.2005, c.197, P.L.2006, c.67, P.L.2007, c.140, P.L.2008,
38 c.67, P.L.2009, c.101, P.L.2010, c.62, P.L.2011, c.95, P.L.2012,
39 c.38, P.L.2013, c.94, P.L.2014, c.26, P.L.2015, c.107, P.L.2016,
40 c.31, P.L.2017, c.142, as amended by P.L.2017, c.327, P.L.2018,
41 c.84, as amended by P.L.2019, c.30, P.L.2019, c.192, as amended by
42 P.L.2019, c.515, P.L.2020, c.48, as amended by P.L.2021, c.22, or
43 P.L. , c. (pending before the Legislature as Senate Bill No. of
44 the 2020-2021 session and Assembly Bill No. 5589 of the 2020-2021
45 session), and to secure the administrative fees payable to the trust
46 under these loans pursuant to subsection o. of section 5 of P.L.1985,
47 c.334 (C.58:11B-5).

1 c. To the extent that any loan repayment sums are used to satisfy
2 any trust bond repayment or administrative fee payment deficiencies,
3 the trust shall repay such sums to the department for deposit into the
4 Clean Water State Revolving Fund, the "Wastewater Treatment
5 Fund," the "1992 Wastewater Treatment Fund," the "Water Supply
6 Fund," the Drinking Water State Revolving Fund, the "2003 Water
7 Resources and Wastewater Treatment Fund," the "Stormwater
8 Management and Combined Sewer Overflow Abatement Fund," or
9 the "Pinelands Infrastructure Trust Fund," as appropriate, from
10 amounts received by or on behalf of the trust from project sponsors
11 causing any such deficiency.

12

13 11. The Commissioner of Environmental Protection is authorized
14 to enter into capitalization grant agreements as may be required
15 pursuant to the Federal Disaster Relief Appropriations Act, the
16 Federal Clean Water Act, or the Federal Safe Drinking Water Act.

17

18 12. There is appropriated to the New Jersey Infrastructure Bank
19 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) from
20 repayments of loans and interest deposited in any account, on or
21 before June 30, 2022, including the "Clean Water State Revolving
22 Fund," the "1992 Wastewater Treatment Fund," the "Water Supply
23 Fund," the "Stormwater Management and Combined Sewer
24 Overflow Abatement Fund," the "2003 Water Resources and
25 Wastewater Treatment Fund," or the Drinking Water State Revolving
26 Fund, as appropriate, and from any net earnings received from the
27 investment and reinvestment of such deposits, such sums as the
28 chairperson or secretary of the trust shall certify to the Commissioner
29 of Environmental Protection to be necessary and appropriate for
30 deposit into one or more reserve funds or accounts established by the
31 trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).

32

33 13. There is appropriated to the New Jersey Infrastructure Bank
34 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), funds
35 from the Federal Disaster Relief Appropriations Act deposited in any
36 account including the Clean Water State Revolving Fund, the "Water
37 Supply Fund," or the Drinking Water State Revolving Fund, as
38 appropriate, funds transferred by the department to the New Jersey
39 Infrastructure Bank pursuant to paragraph (21) of subsection a. of
40 section 1 of P.L. , c. (pending before the Legislature as this bill),
41 and funds from any net earnings received from the investment and
42 reinvestment of such deposits, such sums as the chairperson of the
43 trust certifies to the Commissioner of Environmental Protection to be
44 necessary and appropriate for deposit into one or more reserve funds
45 or accounts established by the trust pursuant to section 11 of
46 P.L.1985, c.334 (C.58:11B-11).

1 14. This act shall take effect immediately.

2

3

4

STATEMENT

5

6 This bill appropriates certain federal and State moneys to the
7 Department of Environmental Protection (DEP) for the purpose of
8 implementing the State Fiscal Year 2022 New Jersey Environmental
9 Infrastructure Financing Program (NJEIFP), which is expected to
10 finance up to \$1.979 billion in water infrastructure projects for State
11 Fiscal Year 2022. The bill would appropriate these funds for the
12 purpose of making loans to local governments and privately-owned
13 water companies (project sponsors) for a portion of the costs of water
14 infrastructure projects.

15 A companion bill, Senate Bill No. of 2021, would authorize the
16 I-Bank to execute loans using the funds appropriated to the DEP by
17 this bill to finance a portion of the costs of the clean water and
18 drinking water projects enumerated by the bill.

19 This bill and the companion bill would establish: (1) a list of 11
20 projects to improve water discharge and treatment systems that had
21 previously received a loan and require supplemental loans,
22 representing \$75.45 million in estimated total loan amounts; (2) a list
23 of two projects to improve drinking water systems that had
24 previously received a loan and require supplemental loans,
25 representing \$28.5 million in estimated total loan amounts; (3) the
26 "Storm Sandy and State Fiscal Year 2022 Clean Water Project
27 Eligibility List," a list of 133 projects to improve water discharge and
28 treatment systems, representing \$1.285 billion in estimated total loan
29 amounts; (4) a list of four projects in the in the Pinelands area that
30 are receiving funding under the "Pinelands Infrastructure Trust Bond
31 Act of 1985," P.L.1985, c.302 to improve water discharge and
32 treatment systems, representing \$15.343 million in estimated total
33 loan amounts; and (5) the "State Fiscal Year 2021 Drinking Water
34 Project Eligibility List," a list of 72 projects to improve drinking
35 water systems, representing \$574.449 million in estimated total loan
36 amounts. Several projects in the "Storm Sandy and State Fiscal Year
37 2022 Clean Water Project Eligibility List" and the "State Fiscal Year
38 2021 Drinking Water Project Eligibility List," representing \$409.168
39 million in estimated total loan amounts, are eligible to receive long-
40 term funding from the New Jersey Infrastructure Bank (I-Bank) by
41 the end of FY2021, and thus would not receive loans under the 2022
42 NJEIFP. However, they are included in these lists in the event that
43 long-term financing cannot be secured by the end of FY2021.

44 The bill would also appropriate the unexpended balances from
45 various funds to the DEP, and allow the DEP to transfer moneys
46 between various State funds, for the purpose of funding the NJEIFP
47 and providing the State match for federal funding provided under the
48 federal laws, including the Clean Water Act and Safe Drinking Water

1 Act, as detailed in subsection a. of section 1 of the bill. In particular,
2 the bill would authorize the DEP to transfer up to \$25 million of the
3 \$60 million appropriated to the department for Drinking Water
4 Infrastructure by the State fiscal year 2021 annual appropriations act,
5 P.L.2020 c.97, to the I-Bank to invest, provide debt service reserve
6 or guarantee, or pay interest on behalf of a project sponsor.

7 The bill would authorize loans to certain project sponsors to
8 include zero interest or principal forgiveness, subject to certain
9 funding limits and restrictions detailed in subsections b. through e.
10 of section 1 of the bill. Projects designated for zero interest or
11 principal forgiveness loans include projects that reduce or eliminate
12 discharges from combined sewer overflow outfalls, water quality
13 restoration projects, projects by drinking water systems that serve
14 fewer than 500 persons, and lead service line replacement projects.

15 The bill would establish certain requirements on loans to project
16 sponsors made by the DEP pursuant to the bill, as enumerated in
17 section 4 of the bill. The bill would also establish additional
18 restrictions, described in section 5 of the bill, for "Sandy financing
19 loans," which are those loans that utilize federal funding provided
20 pursuant to the federal "Disaster Relief Appropriations Act, 2013,"
21 Pub.L.113-2.

22 Under the bill, the project lists and the DEP's authorization to
23 utilize the funds appropriated by the bill would expire on July 1,
24 2022.

25 The bill would authorize the I-Bank to utilize repayments of loans
26 made using moneys from various State funds, enumerated in
27 subsections a. and b. of section 10 of the bill, to recoup trust bond
28 repayments and administrative fees that have not been paid by project
29 sponsors instead of redepositing the money into the funds. However,
30 the bill would also require the I-Bank to make a compensatory
31 deposit into certain State funds, enumerated in subsection c. of
32 section 10 of the bill, when the I-Bank receives the deficient
33 payments or fees from the project sponsor. Finally, the bill would
34 appropriate to the I-Bank, from repayments of loans, interest
35 payments, certain federal funds, and any earnings received from the
36 investment of those funds, as enumerated in sections 12 and 13 of the
37 bill, such amounts as the chairperson or secretary of the I-Bank
38 certifies are necessary and appropriate for deposit into one or more
39 reserve funds established by the I-Bank.